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October 1, 2008

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VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: Federal-State Joint Board on Universal Service
CC Docket No. 96-45

Dear Secretary Dortch:

On behalf of Guam Cellular & Paging, Inc. d/b/a Saipancell Communications (SAC 659001 for Guam) ("Saipancell"), please find attached a redacted, public version of Saipancell's Annual ETC Report under Section 54.209 of the FCC's Rules ("ETC Report"). The attached ETC Report has been marked "**REDACTED – FOR PUBLIC INSPECTION.**"

Saipancell is also submitting, under separate cover, a confidential version of this ETC Report. The confidential version is marked "**CONFIDENTIAL – NOT FOR PUBLIC INSPECTION.**"

Marlene H. Dortch
October 1, 2008
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Please contact the undersigned at 703-584-8678 if any questions arise concerning the above-referenced enclosures or if you require any additional information.

Sincerely,

A handwritten signature in cursive script, appearing to read "David A. LaFuria", written over a horizontal line.

David A. LaFuria
Todd B. Lantor
Steven M. Chernoff

Attorneys for:
Guam Cellular and Paging, Inc.
d/b/a Saipancell Communications

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
_____)	

**ANNUAL CERTIFICATION OF GUAM CELLULAR & PAGING, INC.
d/b/a SAIPANCELL COMMUNICATIONS**

Guam Cellular & Paging, Inc. d/b/a Saipancell Communications (“Saipancell” or “the Company”) an Eligible Telecommunications Company in the territories of Guam and the islands of Saipan, Tinian and Rota in the Commonwealth of the Northern Mariana Islands hereby provides the Commission with an annual compliance filing containing information as set forth in the Commission’s Report and Order in the above-captioned proceeding (“*ETC Report and Order*”)¹ and in the Commission orders designating Company as an ETC.²

1. Construction Plan Progress and Use of Support

Pursuant to the *ETC Report and Order*, Saipancell must “submit... progress reports on the ETC’ five-year service quality improvement plan, including maps detailing progress towards meeting its plan targets, an explanation of how much universal service support was

¹ *In the Matter of the Federal-State Joint Board on Universal Service, Report and Order*, 20 FCC Rcd 6371 (2005).

² *See Federal-State Joint Board on Universal Service, Guam Cellular and Paging, Inc. d/b/a Saipancell Communications Petition for Designation as an Eligible Telecommunications Carrier in the Territory of Guam*, 17 FCC Rcd 1502, 1506-07 (2002).

REDACTED – FOR PUBLIC INSPECTION

received and how support was used to improve signal quality, coverage, or capacity; and an explanation regarding any network improvement targets that have not been fulfilled.”³

In the last twelve months Saipancell has received a total of [REDACTED] in high-cost support from the Universal Service Fund. During the same period, Saipancell invested [REDACTED] in capital improvements and another [REDACTED] in other eligible improvements to infrastructure and services, not counting General and Administrative expenses, for a total of [REDACTED].

For the period between June 30, 2007 and June 30, 2008, Saipancell completed construction of [REDACTED] cell sites – [REDACTED]. Saipancell has also improved existing cell site coverage, performance and reliability by upgrading antennas, deploying Base Transmission Systems, installing microwaves and Cellular Base Station Controller upgrades.

Since June 30, 2008, Saipancell has placed [REDACTED] additional sites into service in [REDACTED]. Saipancell has also improved existing cell site coverage, performance and reliability by upgrading antennas, deploying Base Transmission Systems, installing microwaves and Cellular Base Station Controller upgrades.

Saipancell’s updated 5-year service quality improvement plan is attached hereto as Exhibit A.

³ See ETC Report and Order, *supra*, 20 FCC Rcd at 6400; 47 C.F.R. § 54.209(a)(1).

2. Outage Reporting

In the last twelve months Saipancell has not had any outages of at least 30 minutes in duration on the facilities it owns, operates, leases, or otherwise utilizes that potentially affect at least ten percent of the end users served in its designated service area in Guam, pursuant to the Federal Communications Commission's *Outage Reporting Order*.⁴

3. Service Requests

In the last twelve months, there were no unfulfilled requests for service from potential customers within the designated ETC service area. However, Saipancell hereby certifies that it continues to follow the six-step process for provisioning service to requesting customers.⁵

Specifically, in response to such requests for service at a residence or business, Saipancell will take the following steps:

1. If a request comes from a customer within its existing network, Saipancell will provide service immediately using its standard customer equipment.
2. If a request comes from a customer residing in any area where Saipancell does not provide service, Saipancell will take a series of steps to provide service.

* First, it will determine whether the customer's equipment can be modified or replaced to provide acceptable service.

* Second, it will determine whether a roof-mounted antenna or other network equipment can be deployed at the premises to provide service.

* Third, it will determine whether adjustments at the nearest cell site can be

⁴ See New Part 4 of the Commission's Rules Concerning Disruptions to Communications Report and Order and Further Notice of Proposed Rulemaking, 199 FCC Rcd 16830, 16923-24, §4.5 (2004) ("*Outage Reporting Order*"). See also 47 C.F.R. § 54.209(a)(2).

⁵ See 47 C.F.R. § 54.202(a)(1)(A).

made to provide service.

* Fourth, it will determine whether there are any other adjustments to network or customer facilities which can be made to provide service.

* Fifth, it will explore the possibility of offering the resold service of carriers that have facilities available to that location.

* Sixth, it will determine whether an additional cell site, a cell-extender, or repeater can be employed or can be constructed to provide service, and evaluate the costs and benefits of using scarce high-cost support to serve the number of customers requesting service. If there is no possibility of providing service short of these measures, Saipancell will notify the customer and notify the FCC of how many requests for service could not be filled in its next annual certification report. The FCC will retain authority to resolve any customer complaints that Saipancell has refused to respond to a reasonable request for service.

4. Consumer Complaints

In the twelve months prior to June 30, 2008, Saipancell did not receive and is not aware of any consumer complaints having been filed with the Commonwealth Utilities Corporation or the FCC in the designated ETC service area.⁶

5. Commitment to CTIA's Consumer Code for Wireless Services.

In the *ETC Report and Order*, the FCC reiterated that carriers must commit to abide by applicable service quality standards and consumer protection rules.⁷ In the case of ETCs that are wireless carriers, the FCC has concluded a carrier may make this

⁶ 47 C.F.R. § 54.209(a)(4).

⁷ 47 C.F.R. § 54.209(a)(5).

demonstration by committing to abide by the CTIA Consumer Code for Wireless Service.⁸

In submitting this report Saipancell certifies that it will continue to abide by the CTIA Consumer Code for Wireless Service, as it may be amended from time to time, for all of its operations in Guam.⁹

6. Ability to Remain Functional in Emergencies.

Section 54.202(a)(2) of the FCC's Rules requires an ETC applicant to:

demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.

Once designated, an ETC must provide annually a "certification that the carrier is able to function in emergency situations as set forth in Section 54.201(a)(2)[.]"¹⁰

Saipancell is mindful of the importance of ensuring uninterrupted service so that law enforcement and public safety officials, as well as the general public, can make important calls in the event of a hurricane or other emergency. Saipancell hereby certifies that the company is capable to function in emergency situations as defined in the above-referenced *ETC Report and Order* via the company's Network Operations Center that is backed up from commercial power by a primary and secondary 125 KW generator. An automatic transfer switch is in place. Additionally we have an 80 KW generator that is

⁸ 47 C.F.R. § 54.202(a)(3).

⁹ Under the CTIA Consumer Code, wireless carriers agree to: (1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy. The CTIA Code can be viewed on the Web at http://www.wow-com.com/pdf/The_Code.pdf.

¹⁰ 47 C.F.R. § 54.202(a)(2).

used as a secondary back up with manual transfer functionality. Saipancell also certifies that the company has in place an automated notification system and manual procedures for the management of traffic spikes resulting from emergency situations.

7. Local Usage

In the *ETC Report and Order*, the Commission concluded that each ETC must annually certify that it offers at least one local usage plan comparable to the one offered by the incumbent LEC in the service areas for which the applicant seeks designation.¹¹ In the *ETC Report and Order* on which that requirement was based, FCC declined to adopt a specific local usage threshold or require that an applicant match the incumbent's offering. Rather, the FCC concluded that the comparability of rate plans should be evaluated on a case-by-case basis, in consideration of the number of included minutes, the size of the "local" calling area, monthly price, and other factors. As examples, the FCC mentioned that an applicant may offer "a local calling plan that has a different calling area than the local exchange area provided by the LECs in the same region, or . . . a specified number of free minutes of service within the local service area."¹² The FCC also envisioned cases where an applicant may offer an unlimited calling plan that bundles local minutes with long distance minutes.¹³

Saipancell satisfies the FCC's local usage requirement. Customers may choose from a variety of plans with different combinations of local calling areas, included minutes, and monthly rates, to suit individual consumer needs. For example, Saipancell's 550

¹¹ 47 C.F.R. § 54.209(a)(7).

¹² See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6385.

¹³ *Id.*

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Minute Plan which offers 550 minutes of calling within a home calling (roaming-free) area comprising Saipancell's licensed service area, Guam, Saipan, Tinian, and Rota. The plan is available for a monthly price of \$59.00. Plans with lower monthly prices are available for customers who make fewer minutes of calls. For example, Saipancell's 150 Minute Plan is priced at \$19.00 per month. The various plans offered by Saipancell include free expanded home coverage between Saipan, Rota, Tinian, and Guam and customers may choose Unlimited SMS and/or Unlimited Data. Saipancell customers can also make calls from the U.S., Alaska, Hawaii, Canada, South Korea, Australia, Hong Kong, and China without additional long distance charges being incurred.

Saipancell's service offerings described above allow consumers to select a plan that provides them with equal or greater value than a wireline rate plan, which can require customers to pay significant per-minute toll charges for calls made to locations beyond a small local calling area. Providing deeper geographic reach delivers a significant benefit to the consumer, and the FCC has cited studies concluding that "wireless service is cheaper than wireline, particularly if one is making a long distance call or when traveling."¹⁴

In sum, Saipancell certifies that it offers at least one plan that is comparable to ILEC rate plans under the applicable FCC test. The rate plans offered by Saipancell can be accessed via the Internet at the following Web Address www.saipancell.com under Products and Services, Wireless, Rate Plans.

¹⁴ *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report & Analysis of Competitive Market Conditions with Respect to Commercial Mobile Servs., Twelfth Report, 23 FCC Rcd. 2241, 2342 (2007) ("Twelfth CMRS Competition Report").*

8. Equal Access.

As required of applicants before the FCC under the *ETC Report and Order*,¹⁵ Saipancell acknowledges that the FCC may require it to provide equal access to interexchange carriers in the event no other ETC is providing equal access in the designated ETC service area.

We trust that you will find this to be responsive to the compliance materials requested in the *ETC Report and Order* and in the orders designating Saipancell as an ETC in Guam.

Respectfully submitted,



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Attorneys for:
*Guam Cellular and Paging, Inc. d/b/a
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Dated: October 1, 2008

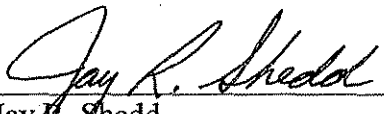
¹⁵ See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6386.

DECLARATION UNDER PENALTY OF PERJURY

I, Jay R. Shedd, do hereby declare under penalty of perjury as follows:

1. I am the President and Chief Executive Office of Guam Cellular & Paging, Inc. d/b/a Saipancell ("Saipancell")
2. This Affidavit is submitted in support of Saipancell's Annual Compliance Filing and Request for Recertification, pursuant to *Report and Order In the Matter of the Federal-State Joint Board on Universal Service*, FCC 05-46 (rel. March 17, 2005) and Sections 54.202 and 54.209 of the FCC's Rules.
3. I declare under penalty of perjury that the statements contained in the foregoing Annual Compliance Filing are true and correct to the best of my knowledge, information and belief.

Executed on September 25, 2008



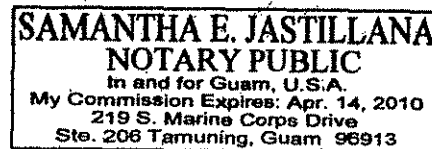
Jay R. Shedd
President and Chief Executive Officer
Guam Cellular & Paging, Inc. d/b/a Saipancell

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 25 day of
September, 2008.



NOTARY PUBLIC

My Commission Expires: April 14, 2010



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Exhibit A

Five-Year Quality Service Improvement Plan

**THIS EXHIBIT IS WITTHELD AS THE FILER
HAS REQUESTED CONFIDENTIAL TREATMENT**